

The opinion in support of the decision being entered today was *not* written for publication and is *not* binding precedent of the Board.

UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte TOMMASO INNOCENTI

Appeal 2007-0366
Application 09/866,652
Technology Center 3600

Decided: February 23, 2007

Before TERRY J. OWENS, ANITA PELLMAN GROSS and ROBERT E.
NAPPI, *Administrative Patent Judges*.

NAPPI, *Administrative Patent Judge*.

DECISION ON APPEAL

This is a decision on appeal under 35 U.S.C. § 134 of the final rejection of claims 40 through 76. For the reasons stated *infra* we affirm in part the Examiner's rejection of these claims.

INVENTION

The invention is directed to a method of setting up an online auction for the trading of commodities. Claim 40 is representative of the invention and reproduced below:

40. A business method intended to facilitate flexible terms commodities trading comprising the steps of:

- providing, upon a web site accessible upon the world wide web, a proposal format in which the type of auction can be specified in addition to the particular commodity, weight, price, and specific commodity category dependent quality characteristics desired by a prospective buyer in completion of a submission for initiating an open bid;

- providing the option of provision of a model of a particular commodity desired for purposes of indicating the quality desired by a prospective buyer;

- providing, upon a web site accessible upon the world wide web, a proposal format in which the type of auction can be specified in addition to the particular commodity, weight, price, and specific commodity dependent quality characteristics offered by a prospective seller in completion of a submission for initiating an open offer;

- providing the option of provision of a sample of a particular commodity desired for purposes of indicating the quality desired by a prospective seller;

- posting upon said web site a listing for a specified lot of a particular commodity in accordance with a completed proposal submission detailing a plurality of terms including weight, price, quality characteristics, delivery and payment comprising an open offer of said specified lot when initiated by a prospective seller and comprising an open bid of said specified lot when initiated by a prospective buyer;

- scheduling an auction of said specified lot by posting a plurality of schedule dates including but not restricted to commencement and conclusion dates between which responses to said listing will be received;

posting upon said web site, in association with said listing, counter bids received in response to an open offer and counter offers received in response to an open bid which vary in any of the terms included in said plurality of terms detailed in said listing;

posting upon said web site, in association with said listing, any offer indications by said prospective seller in response to posted counter bids and any bid indications by said prospective buyer in response to posted counter offers signifying a modification of at least one term in said listing;

indicating upon said web site, in association with said listing, the matching in all said terms between any offer and any bid both concerned with said specified lot.

REFERENCES

The references relied upon by the Examiner are:

Thomas	US 2001/0032161 A1	Oct 18, 2001
Conklin	US 6,332,135 B1	Dec. 18, 2001
Moshal	US 2002/0004787 A1	Jan. 10, 2002 (filed Mar. 28, 2001)
Lerner	US 2002/0120555 A1	Aug. 29, 2002 (effectively filed Jul. 18, 2000)

Microsoft Press Computer Dictionary, 3rd Ed., 1997, page 506

Prince, Dennis L. *Auction This! Your Complete Guide to the World of Online Auctions*, (hereinafter Auction) Prima Publishing, 1999, pages 21-23, 63-65, 69, 71, 72, 79-81, 85, 91, 99, 112, 113, 124, 125, 166, 167, 207, 208 and 213.

REJECTIONS AT ISSUE

Claims 40 through 76 stand rejected under 35 U.S.C. § 112 second paragraph as being indefinite. The Examiner's rejection is set forth on pages 3 and 4 of the Answer. Claims 40, 41, 43, 46 through 49, 52 through 54, 56, 57, 59, 60, 62 and 63 stand rejected under 35 U.S.C. § 103 (a) as being unpatentable over Lerner in view of Moshal. The Examiner's rejection is set forth on pages 4 through 7 of the Answer. Claim 42 stands rejected under 35 U.S.C. § 103 (a) as being unpatentable over Lerner in view of Moshal and Microsoft Press Computer Dictionary. The Examiner's rejection is set forth on page 8 of the Answer. Claims 44, 45, 50, 51, 55, 58, 61 and 64 stand rejected under 35 U.S.C. § 103 (a) as being unpatentable over Lerner in view of Moshal and Auction. The Examiner's rejection is set forth on pages 8 and 9 of the Answer. Claim 71 stands rejected under 35 U.S.C. § 103 (a) as being unpatentable over Lerner in view of Moshal and Conklin. The Examiner's rejection is set forth on page 9 of the Answer. Claims 65 through 70 and 72 through 76 stand rejected under 35 U.S.C. § 103 (a) as being unpatentable over Lerner in view of Moshal and Thomas. The Examiner's rejection is set forth on pages 9 and 10 of the Answer. Throughout the opinion we make reference to the Briefs, and the Answer for the respective details thereof.

ISSUES IN THE REJECTION UNDER 35 U.S.C. § 112

At the outset we note that Appellant's Brief is written with multi-page run-on sentences that make it exceptionally difficult to understand Appellant's arguments.

On pages 4 through 9 of the Brief, Appellant contends that the Examiner's rejection of claims 40 through 75 under 35 U.S.C. § 112, second paragraph, is in error. It appears that Appellant is arguing the limitation of "providing an option" of a sample or model is definite and further limits the claim as it requires providing options. Further, Appellant appears to be admitting to a separate ambiguity in the claim by asserting that claim 40 should be amended to delete the word desired.

The Examiner contends that claims 40 through 75 are properly rejected under 35 U.S.C. § 112, second paragraph. The Examiner states, on page 16 of the Answer, that claim 40's limitation of "providing the option of provision" are very broad, vague and ambiguous. Further, the Examiner asserts that Appellant has not addressed the ambiguities of claims 53, 54, 57, 59 60, and 63.

Thus, Appellant's contentions present two issues, with respect to the rejection under 35 U.S.C. § 112, second paragraph:

The first issue for us to consider is whether the "providing the option of provision" limitations of claim 40 is ambiguous?

The second issue is whether the recitation that a seller or buyer "may choose" in claims 53, 54, 57, 59, 60, and 63 is ambiguous.

ANALYSIS RELATED TO THE REJECTION
UNDER 35 U.S.C. § 112

Initially we note that a submission of an amendment in an Appeal Brief is not proper. Accordingly, we have considered claim 40 as submitted in the appendix to the Brief, and not as suggested on page 8 of the Brief.

We consider the claim limitation of “providing the option of provision of a model of a particular commodity desired for the purposes of indicating the quality desired by a prospective buyer” relates to and further limits the prior limitation of “providing, upon a web site ..., a proposal format in which the type of auction can be specified in addition to the particular commodity, ... dependent quality characteristics desired by the prospective buyer.” We consider the “providing the option of provision” limitation to be definite as it requires that an option be presented which allows the buyer to provide a model indicating the quality desired. Similarly, we consider the limitation of “providing the option of provision of a sample ...” to be definite.

Accordingly, we find for the Appellant and hold that claim 40 is definite. The scope of claim 40 includes providing, on a web site, a proposal format which allows a buyer of a commodity to specify a type of auction and present the buyer with an option which allows the buyer to provide a model indicating the quality desired. The scope of claim 40 also includes providing, on a web site, a proposal format which allows a seller of a commodity to specify a type of auction and presents the seller with an option which allows the seller to provide a sample indicating the quality desired.

The second issue, concerns claims 53, 54, 57, 59, 60, and 63. It does not appear that Appellant has presented any argument directed to these claims, individually or collectively. The Examiner, on page 4, states “the qualifier ‘may choose’, which is unclear as to whether a choice is made.” We concur. From Appellant’s specification it appears that Appellant may have intended the limitation “may choose” to mean “is presented with a choice to select.” However, we refuse to import such limitations from the specification into the claims. Thus, we find for the Examiner and sustain the Examiner’s rejection under 35 U.S.C. § 112, second paragraph, of claims 53, 54, 57, 59, 60, and 63 and the claims which depend therefrom, claims 55, 56, 58, 61, 62, and 64.

ISSUES DIRECTED TO THE REJECTIONS
UNDER 35 U.S.C. § 103 (a)

First issue:

Appellant contends, on pages 9 and 10 of the Brief, that the Examiner’s rejections under 35 U.S.C. § 103 (a) are in error as they rely upon Lerner which is inapplicable as prior art. Appellant argues that the declaration submitted on June 20, 2004, is sufficient to establish invention prior to Lerner’s June 18, 2000, effective filing date.

The Examiner contends that the Lerner is prior art to the Appellant’s claimed invention as the Examiner maintains that the declaration is insufficient to show possession of the claimed invention prior to the effective date of Lerner or due diligence between conception and constructive reduction to practice. Further, the Examiner states that the evidence is not commensurate with the claim limitations.

These contentions present us with the first issue relating to the Examiner's rejections under 35 U.S.C. § 103 (a) which is whether the Appellant has submitted sufficient evidence to establish invention prior to the effective filing date of Lerner?

Second issue:

Appellant contends that the Examiner's rejection of independent claim 40 under 35 U.S.C. § 103 (a) is in error as the references do not teach all of the limitations. It appears that Appellant is arguing that Lerner does not teach "providing the option of provision of a model" and "providing the option of provision of a sample" as claimed in claim 40.

The Examiner contends that the rejection of claim 40 is proper. The Examiner states, on page 3 of the Answer, that the phrases in claim 40 are not read as being limitations of the claim. Further, on page 20 of the Answer, the Examiner finds that "The laboratory testing of sample/models disclosed by Lerner would be equally useful to buyer and seller so that the respective parties would have a scientific basis for understanding the quality needs or abilities of the counterparty."

These contentions present us with the second issue relating to the Examiner's rejections under 35 U.S.C. § 103 (a) which is whether Lerner and Moshal, the references used to reject claim 40, teach the limitations directed to "providing the option of provision of a model" and "providing the option of provision of a sample" as claimed? We note that the issue of whether these phrases are limitations to the claim was addressed *supra* with

respect to the Examiner's rejection of claim 40 under 35 U.S.C. § 112, second paragraph.

Appellant has not provided any arguments directed to the Examiner's other rejections under 35 U.S.C. § 103 which rely upon Lerner and Moshal. These rejections are directed to claims which depend upon independent claim 40. Thus, the only issue with respect to these claims is, if the rejection of claim 40 is in error, do the additional references make up for the error in the rejection of independent claim 40.

FINDINGS OF FACT DIRECTED TO THE REJECTIONS
UNDER 35 U.S.C. § 103 (a).

On December 19, 2006, Appellant submitted a supplemental sheet with the Evidence Appendix and Related Proceedings Appendix as required under 37 C.F.R. § 41.37(c)(1). The supplemental sheet states "Evidence Appendix NONE." 37 C.F.R. § 41.37(c)(1)(ix) states "Evidence appendix. An Appendix containing copies of any evidence submitted pursuant to §§ 1.130, 1.131 or 1.132 of this title or any other evidence entered by the Examiner and relied upon by Appellant in the appeal."

Appellant's declaration under Declaration under 37 C.F.R. § 1.131, signed January 20, 2004, states that On June 15, 2000, Tommaso Innocenti contacted patent agent Peter O'Donovan by facsimile requesting assistance in patenting an invention. The declaration relies upon the following quote from the facsimile transmission to support prior invention:

I have devised a special, new way to put up natural raw materials auctions for internet auctions and I would like to implement it but, before any further step, I would like to patent it in order to prevent

competitions' imitation and to have a stronger position when dealing with commercial partners.

Appellant has presented no evidence of how the Internet is to be used, such as providing a proposal format with many options on a web site as recited in claim 40. Additionally, Appellant has presented no evidence as to what steps were taken from the June 15, 2000, facsimile transmission until the May 15, 2001, filing date to constructively reduce the invention to practice.

Lerner teaches an electronic system for trading commodities. See abstract and para. 0030. The system makes use of a web site to enable trading. See para. 0032 and 0062. Various screens are available to allow a user to acquire information about the trading process. See para. 0089, 0090, and 0095. One screen, shown in figure 9, depicts a worksheet that can be used for calculating bids, and a field in the worksheet relates to lab testing. See figure 9 and para. 0120. Lerner is silent as to use of a form to set up an auction.

Moshal teaches a system to set up an electronic exchange between bidders and sellers. See abstract. The system has software which generates an auction based upon user selected parameters. See para. 0039. By selecting parameters for each lot the system allows for many different types of auctions to occur concurrently, i.e., the user can access the system to auction a commodity and by picking the parameters can select the type of auction. See para. 0044. A lot object, item 180, provides the information about the commodity being auctioned. A strategy object, item 190, contains

the information about parameters of the auction. See para. 0060, 0136, and 139. Moshal is silent about either the lot object or the strategy object containing information about the provision of either a model or sample. Moshal also teaches that there is a match module which matches bids and offers for a lot. See para. 0061.

Page 506, of the Microsoft Computer Dictionary, provides a definition of the term “web site” which identifies that a web site may reside on more than one web server.

The pages of the Auction document cited by the Examiner discuss many types of auctions that are on the Internet. The document also discusses strategies in auctioning items on the Internet. However, we find no discussion in the document relating to the provision of samples or models.

Conklin teaches a system which allows buyers and sellers to negotiate sales over the Internet. See Abstract. Conklin teaches that this negotiation may include transference of samples of the product. See abstract. See also discussion in column 31, under the heading “Sample Order” which discusses purchasing samples from vendors. However, we do not find that Conklin teaches or suggests a buyer providing models of a commodity to indicate the quality desired.

Thomas teaches a method of valuing products in a commodities market. See abstract. The method includes sending a sample to a laboratory for testing and posting the test results as part of the auction. See figure 2 and the discussion in para. 0045. However, we do not find that Thomas teaches

or suggests a buyer providing models of a commodity to indicate to a seller the quality desired.

ANALYSIS RELATED TO THE REJECTION UNDER 35 U.S.C. § 103

First issue:

We do not find that Appellant has submitted sufficient evidence to prove invention prior to Lerner's June 18, 2000, effective filing date. Initially, we note that Appellant chose not to provide any evidence to support such an assertion in the evidence appendix to the Brief as required by rule. For this reason alone, we do not find that Appellant has submitted sufficient evidence to establish prior conception. Nonetheless, as we have independently reviewed the documents in the application file, we concur with the Examiner's reasoning. We do not find that the short statement in the declaration, signed January 20, 2004, establishes that the Appellant had conceived of the claimed invention prior to Lerner's June 18, 2000, effective filing date. As discussed *supra*, there are claim elements which are not addressed by the declaration. Further, Appellant's declaration is silent as to what steps were taken to constructively reduce the invention to practice. Accordingly, we hold for the Examiner on this issue and find that Lerner is prior art to Appellant's claimed invention.

Second issue:

We do not find that the combination of Lerner and Moshal teaches the imitations directed to providing the option of provision of a model and providing the option of provision of a sample as claimed. As discussed *supra*, we find that the scope of claim 40 includes providing on a web site, a

proposal format which allows a buyer of a commodity to specify a type of auction and presenting the buyer with an option which allows the buyer to provide a model indicating the quality desired. The scope of claim 40 also includes providing on a web site, a proposal format which allows a seller of a commodity to specify a type of auction and presenting the seller with an option which allows the seller to provide a sample indicating the quality desired. We find that Lerner, in the form depicted in figure 9, identifies that lab testing may be associated with commodity trading. As discussed in paragraph 0120, this form represents a worksheet and is not part of a proposal for an auction. Further, we find no discussion in Moshal which discusses providing the option of provision of either a sample or a model as claimed. Accordingly, we find for the Appellant on this issue and will not sustain the Examiner's rejection of independent claim 40 or dependent claims 41, 43, 46 through 49, 52 through 54, 56, 57, 59, 60, 62 and 63 which are similarly rejected over the combination of Lerner and Moshal.

The third Issue:

As we have found that the combination of Lerner and Moshal does not teach all of the limitations of independent claim 40, the third issue is do the other documents recited in the Examiner's other rejections under 35 U.S.C. § 103(a) teach the missing limitations. As discussed *supra*, we do not find that the passages cited by the Examiner in either the Microsoft Computer Dictionary, or Auction This article, teach or suggest provision of a sample or a model in an online auction. Further, we do not find that either Conklin or Thomas teaches or suggests a buyer providing models of a

commodity to indicate to a seller the quality desired. Thus, we find for Appellant and will not sustain the Examiner's rejections under 35 U.S.C. § 103(a) of dependent claims 42, 44, 45, 50, 51, 55, 58, 63 through 76.

NEW GROUND OF REJECTION PURSUANT TO 37 CFR § 41.50(B)

We enter a new ground of rejection of claims 40 through 76 under 35 U.S.C. § 101. 35 U.S.C. § 101 provides:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefore, subject to the conditions and requirements of this title.

35 U.S.C. § 101 defines four categories of inventions that Congress deems to be the appropriate subject matter of a patent: processes, machines, manufactures and compositions of matter. The latter three categories define "things" or "products" while the first category defines "actions" (*i.e.*, inventions that consist of a series of steps or acts to be performed). *See* 35 U.S.C. § 100(b) ("The term 'process' means process, art, or method, and includes a new use of a known process, machine, manufacture, composition of matter, or material.")

Claim 40 on appeal is directed to a process because the claim sets forth a series of steps or acts to be performed. Thus, one may wonder why there is any issue regarding whether claim 40 is directed to statutory subject matter. The issue arises because the Supreme Court has "... recognized limits to § 101 and every discovery is not embraced within the statutory terms. Excluded from such patent protection are laws of nature, physical phenomena and abstract ideas." *Diamond v. Diehr*, 450 U.S. 175, 185, 209

USPQ 1, 7 (1981). "Abstract ideas" can represent "inventions" made by man, as well as "discoveries" of things that existed in nature, and are easily claimed as a series of steps so as to appear to be a "process" under § 101. For example, mathematical algorithms (the best known example of an abstract idea) can be "abstract ideas" that do not represent a discovery of something that existed in nature. *See In re Meyer*, 688 F.2d 789, 794-95, 215 USPQ 193, 197 (CCPA 1982) ("However, some mathematical algorithms and formulae do not represent scientific principles or laws of nature; they represent ideas or mental processes and are simply logical vehicles for communicating possible solutions to complex problems.")

While claim 40 appears to be a method claim, it is nonetheless directed to an abstraction and thereby falls within one of the Supreme Court's exclusions from patent protection. In particular, claim 40 is drawn to a method to facilitate commodities trading by providing formats on a web site which allow a buyer or seller to set forth parameters for an auction of commodities, posting bids, counter bids and offers and indicating the matching of bids. The steps of this method involve nothing more than providing a template for the exchange of information. Claim 40's recitation of providing the form upon a web site on the World Wide Web does not save the claim from merely reciting an abstract idea. Where a claim recites a programmed general purpose "machine" (e.g., a "computer" or "system"), instead of a new structure; i.e., where what applicant claims is the method to be performed on a known machine, the CCPA and the Federal Circuit have held that the general purpose computer in effect becomes a special purpose

computer. See *In re Alappat*, 33 F.3d 1526, 1554, 31 USPQ2d 1545, 1558 (Fed. Cir. 1994) (en banc). Nevertheless, a programmed general purpose machine which merely performs an abstract idea, such as a mathematical algorithm, has been held nonstatutory as an attempt to patent the abstract idea itself, see *Gottschalk v. Benson*, 409 U.S. 63, 71-72, 175 USPQ 673, 676 (1972) ("nutshell" holding) and *In re de Castelet*, 562 F.2d 1236, 1243, 195 USPQ 439, 445 (CCPA 1977) (discussing "nutshell" language), whereas a claim directed to a new machine structure is clearly a patentable "machine" under § 101. A web site is not a physical machine, but rather an abstraction (a document containing files), and the World Wide Web, which contains physical machines, is not altered by performance of the method. Thus, we consider claims 40 through 76 to be drawn to abstract ideas. Claims directed to nothing more than abstract ideas, natural phenomena, and laws of nature are not eligible and therefore are excluded from patent protection. *Diehr*, 450 U.S. at 185, 209 USPQ at 7; accord, e.g., *Diamond v. Chakrabarty*, 447 U.S. 303, 309, 206 USPQ 193, 197 (1980); *Parker v. Flook*, 437 U.S. 584, 589, 198 USPQ 193, 197 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 67-68, 175 USPQ 673, 675 (1972); *Funk Bros. Seed Co. v. Kalo Inoculant Co.*, 333 U.S. 127, 130, 76 USPQ 280, 281 (1948).

The conclusion that a particular claim includes a § 101 judicial exception does not end the inquiry because "[i]t is now commonplace that an application of a law of nature or mathematical formula to a known structure or process may well be deserving of patent protection." *Diehr*, 450 U.S. at 187, 209 USPQ at 8 (emphasis in original); *Parker v. Flook*, 437

U.S. 584, 590, 198 USPQ 193, 197 (1978); *Gottschalk*, 409 U.S. at 67, 175 USPQ at 675. Thus, “[w]hile a scientific truth, or the mathematical expression of it, is not a patentable invention, a novel and useful structure created with the aid of knowledge of scientific truth may be.” *Diehr*, 450 U.S. at 188, 209 USPQ at 8-9 (quoting *Mackay*, 306 U.S. at 94); see also *Corning v. Burden*, 56 U.S. (15 How.) 252, 268, 14 L.Ed. 683 (1853)(“It is for the discovery or invention of some practical method or means of producing a beneficial result or effect, that a patent is granted . . .”).

To satisfy § 101 requirements, the claim must be for a practical application of the § 101 judicial exception, which can be identified in various ways:

- a) The claimed invention “transforms” an article or physical object to a different state or thing.
- b) The claimed invention otherwise produces a useful, concrete and tangible result, based on the factors discussed below.

We do not find that claim 40 provides a transformation or reduction of an article to a different state or thing. Claim 40 is drawn to a method to facilitate trading of commodities. Trading commodities encompasses the transfer of ownership, a legal abstraction, and does not require the transfer of physical possession. See for example Lerner’s discussion of paper traders in paragraph 6. Further, neither claim 40 nor dependent claims 41 through 64 recite a step where physical possession of the commodity is transferred. In claims 65 through 73, which recite steps which imply the physical transfer of a sample or model of the commodity from one party to

another, we do not find that a physical transformation of the sample or model occurs.

In claim 40, the steps of providing a web site do not alter a physical thing, rather they relate to providing a form in which data may be entered. The steps of providing the option, as discussed *supra*, are directed to further options on the form, and thus represent data and not actual transformation of physical things. The steps of posting on the web site and the step of indicating on said web site are just the exchange of information. Similarly, the step of scheduling, while not limited to data entry, is nonetheless directed to an algorithm for ordering the data. Further, claim 40 and the claims dependent thereupon do not transform data to a different form, but rather present a format for entry of data and exchange of data. Thus, the claim recites a series of abstract steps and does not transform or reduce an article to a different state or thing.

The inquiry into whether a claim fails the statutory requirement of 35 U.S.C. § 101, does not end because it is determined that there is no transformation or reduction of an article to a different thing or state. For eligibility analysis, physical transformation “is not an invariable requirement, but merely one example of how a mathematical algorithm [or law of nature] may bring about a useful application.” *AT&T Corp. v. Excel Communications, Inc.*, 172 F.3d 1352, 1358-59, 50 USPQ2d 1447, 1452 (Fed. Cir. 1999). Since the claim does not entail the transformation of an article, then it must be determined if the claim provides a practical application that produces a useful, tangible and concrete result. The

Federal Circuit has said “The question of whether a claim encompasses statutory subject matter should not focus on which of the four categories of subject matter a claim is directed to ...but on the essential characteristics of the subject matter, in particular its practical utility.” *State Street Bank & Trust Co. v. Signature Financial Group Inc.*, 149 F.3d 1368, 1375, 47 USPQ2d 1596, 1602 (Fed. Cir. 1998). Further, the Federal Circuit explained that the claimed invention must produce a useful, concrete and tangible result, *State Street Bank*, 149 F.3d 1373, 47 USPQ2d, 1601 (see also *AT&T Corp. v. Excel Communications, Inc.*, 172 F.3d 1352, 50 USPQ2d 1447 (Fed. Cir. 1999). In this case, neither claim 40 nor dependent claims 41 through 76 are drawn to a method that produces a tangible result. As discussed *supra*, the steps of claim 40 are drawn to a format of data entry and exchange of data, and we find no tangible result from the claimed method.

CONCLUSION

We consider the Examiner’s rejection of 53 through 64 under 35 U.S.C. § 112, second paragraph to be proper and sustain this rejection. However, we consider the Examiner’s rejection of claims 40 through 52, and 65 through 76 under 35 U.S.C. § 112, second paragraph, to be in error and we reverse this rejection. Similarly, we consider the Examiner’s rejections of claims 40 through 76 under 35 U.S.C. § 103(a) to be in error as we do not find that the combination of the references cited by the Examiner teach or suggest providing on a web site, a proposal format which allows a buyer of a commodity to specify a type of auction and present the buyer

with an option which allows the buyer to provide a model indicating the quality desired as claimed.

We also enter a new grounds of rejection against claims 40 through 76 under 35 U.S.C. § 101.

This decision contains a new ground of rejection pursuant to 37 CFR § 41.50(b) (effective September 13, 2004, 69 Fed. Reg. 49960 (August 12, 2004), 1286 Off. Gaz. Pat. Office 21 (September 7, 2004)). 37 CFR § 41.50(b) provides "[a] new ground of rejection pursuant to this paragraph shall not be considered final for judicial review."

37 CFR § 41.50(b) also provides that the Appellant, WITHIN TWO MONTHS FROM THE DATE OF THE DECISION, must exercise one of the following two options with respect to the new ground of rejection to avoid termination of the appeal as to the rejected claims:

(1) *Reopen prosecution*. Submit an appropriate amendment of the claims so rejected or new evidence relating to the claims so rejected, or both, and have the matter reconsidered by the Examiner, in which event the proceeding will be remanded to the Examiner. . . .

(2) *Request rehearing*. Request that the proceeding be reheard under § 41.52 by the Board upon the same record. . . .

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The decision of the examiner rejecting claims 40 through 76 is Affirmed-in-Part.


No time period for taking any subsequent action in connection with this appeal may be extended under 37 CFR § 1.136(a) (1) (iv).

AFFIRMED-IN-PART; 41.50(b)

Terry J. Owens
TERRY J. OWENS
Administrative Patent Judge

Anita Pellman Gross
ANITA PELLMAN GROSS
Administrative Patent Judge

BOARD OF PATENT APPEALS AND INTERFERENCES


ROBERT E. NAPPI
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Appeal 2007-0366
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